Choosing a Home Care Agency: A National Practice Module

Choosing safe, high-quality home care for an older family member.

> **Why this module matters.** A non-medical caregiver cost a national median of $35 an hour in 2025, or about $80,000 a year at 44 hours a week, and Medicare does not cover long-term non-medical care. Families need to choose carefully.

About this module

This module gives teams a shared, evidence-based approach to choosing safe, high-quality home care for an older family member. It draws on current federal rules and national guidance, and it ends with a checklist that agencies, clinicians, and families anywhere in the United States can adopt.

Item	Details
Who it is for	Family caregivers, discharge planners, social workers, and anyone helping a family choose care
Format	7 units, case scenarios, a knowledge check, and a national checklist
Time	About 1 hour
How to use it	Families use all units. Professionals use the checklist with families.

Learning objectives

After completing this module, learners will be able to:

1. Tell the types of home care apart.
2. Understand national costs.
3. Know what Medicare and Medicaid cover.
4. Check agency quality.
5. Ask the right questions.
6. Recognize red flags.
7. Understand private hiring.

> **Scope.** This module is general information to help families choose care. It is not legal, tax, or financial advice. Coverage rules and state laws vary.

Unit 1. Understanding the options

"Home care" covers very different services, paid for in different ways. Knowing the difference saves families time, money, and frustration.

Type	What it provides	Usually paid by
Home health (skilled)	Nursing, physical, occupational, and speech therapy, and home health aide visits ordered by a clinician	Medicare, Medicaid, private insurance, if eligible
Non-medical home care	Help with bathing, dressing, meals, housework, companionship, and supervision	Private pay, long-term care insurance, Medicaid HCBS, VA
Hospice	Comfort-focused care for people with a terminal illness, at home	Medicare hospice benefit, Medicaid, insurance
Adult day services	Daytime supervision, activities, and sometimes health services outside the home	Private pay, Medicaid, VA
Private hire or registry	A caregiver hired directly or matched by a registry	Private pay; the family may become the employer

Unit 2. What it costs

Service (2025 national median)	Cost	Source
Non-medical caregiver (homemaker and home health aide)	$35 an hour, up 3%	CareScout 2025
Non-medical caregiver, 44 hours a week	$80,080 a year	CareScout 2025
Adult day health care	$95 a day	CareScout 2025
Assisted living	$6,200 a month	CareScout 2025
Nursing home, private room	$129,575 a year	CareScout 2025

Costs vary widely by state and city. Check local rates with CareScout's online calculator or local agencies.

Unit 3. What Medicare and Medicaid cover

Program	Covers	Does not cover
Medicare home health	Part-time skilled nursing and therapy, and aide visits, for people who are homebound and need skilled care, ordered by a clinician	Ongoing help with daily activities only (custodial care) or 24-hour care
Medicare hospice	Comfort care, equipment, medicines for the terminal illness, and short respite	Round-the-clock personal care at home
Medicaid HCBS	Personal care, homemaker, respite, and other services for eligible people, depending on the state	Varies; waiting lists are common
Veterans programs	Home care, respite, and caregiver support for eligible veterans	Varies by eligibility

A common surprise. Medicare does not pay for long-term non-medical home care. Families often combine private pay, long-term care insurance, Medicaid, and VA benefits.

Unit 4. How to check quality

Check	How
License	Confirm the agency is licensed by your state, and check for complaints or citations
Medicare certification and ratings	For home health, use Medicare Care Compare for quality star ratings and patient survey (HHCAHPS) results
Screening	Ask how caregivers are background-checked, registry-checked, and screened against exclusion lists
Training and supervision	Ask about hours of training, dementia training, and how often a supervisor visits
Employment	Ask whether caregivers are employees (with insurance and payroll taxes handled) or independent contractors
Insurance and bonding	Ask for proof of liability insurance, workers' compensation, and bonding
References	Ask for references from current clients or local professionals

Unit 5. Questions to ask

- [ ] How do you assess my family member and write the care plan? How often is it updated?
- [ ] Will we have the same caregivers? What happens if a caregiver calls off?
- [ ] How do caregivers report changes or concerns to you and to us?
- [ ] Is there a nurse or supervisor available 24 hours?
- [ ] What are your rates, minimum hours, and cancellation rules? Are there extra fees?
- [ ] How do I raise a complaint, and how fast will you respond?
- [ ] Do you accept our insurance, Medicaid, VA, or long-term care insurance?
- [ ] How do you protect our privacy and our belongings?

Unit 6. Red flags

- No state license where one is required.
- Unwilling to explain screening or training.
- Caregivers paid in cash as “contractors” with no insurance.
- Pressure to sign a long contract quickly.
- No written care plan or service agreement.
- Poor ratings or unresolved complaints.

Unit 7. Hiring privately

Hiring a caregiver directly can cost less, but the family takes on the agency’s duties.

- Run a background check with written consent, and check references and registries.
- Agree in writing on duties, hours, pay, and time off.
- Understand household employer tax and wage rules, and consider a payroll service.
- Check insurance for injuries in the home.
- Plan backup care for sick days and vacations.

Case scenarios

Case 1. After a hip fracture

Mrs. N is home after hip surgery. Her son thinks Medicare will pay for help 8 hours a day.

- What will Medicare likely cover?
- What else might the family need?

Discussion: Medicare home health may cover part-time nursing, therapy, and aide visits while she is homebound and needs skilled care, but not 8 hours a day of personal care. The family may add private-pay or Medicaid home care.

Case 2. Two agencies

A family compares two agencies. One is $4 an hour cheaper but cannot say how caregivers are screened.

- What should guide their choice?

Discussion: Screening, training, supervision, consistency, and complaint handling matter more than a small price difference.

Knowledge check

1. What was the 2025 national median hourly cost of a non-medical caregiver? *($35)*
2. Does Medicare pay for long-term non-medical home care? *(No)*
3. Where can families compare Medicare home health quality? *(Medicare Care Compare)*
4. Name three things to check before choosing an agency. *(License, screening, training, supervision, insurance, ratings, references)*
5. What duties does a family take on when hiring privately? *(Screening, written agreement, employer taxes and wages, insurance, backup care)*

National Home Care Agency Selection Checklist

This checklist turns national quality and coverage information into one tool families can use when choosing care. The “National basis” column shows where each item comes from. Adapt it to your state rules and policies.

Name or ID	Date	Completed by and role
Agency or organization	Reviewed by	Next review date

A. Match the service

Action	National basis	Done	Notes
Type of care needed identified (skilled, non-medical, hospice, adult day)	Medicare.gov	☐	
Coverage checked: Medicare, Medicaid, VA, insurance	Medicare.gov; state Medicaid	☐	
Local costs compared	CareScout Cost of Care	☐	

B. Check quality

Action	National basis	Done	Notes
State license verified; complaints checked	State licensing	☐	
Care Compare ratings reviewed (home health)	CMS Care Compare; HHCAHPS	☐	
Caregiver screening explained	State law; National Background Check Program	☐	
Training and supervision explained	42 CFR 484.80; state law	☐	
Employees vs. contractors; insurance and bonding confirmed	Best practice	☐	

C. Agreement

Action	National basis	Done	Notes
Written care plan and service agreement	State law; best practice	☐	
Rates, minimums, fees, and cancellation terms in writing	Best practice	☐	
Complaint process and 24-hour contact in writing	Best practice	☐	
Backup plan for caregiver absences	Best practice	☐	

Completed by: signature	Printed name and title	Date
Reviewed by: signature	Printed name and title	Date

Sources and further reading

CareScout: 2025 Cost of Care Survey (Mar. 2026) (businesswire.com)

CMS: Home Health Care CAHPS Survey (cms.gov)

CMS: Home Health Quality Measures (cms.gov)

CMS: National Background Check Program (cms.gov)

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